

# **Medicare and the State Retiree Health Benefits Program**

## **What Is Medicare?**

Medicare is the federal government health insurance program for:

- People who are 65 years of age and older
- Certain people under age 65 who have a disability
- People with End-Stage Renal Disease who need dialysis or a transplant

Medicare covers a wide variety of medical services provided by hospitals, doctors and certain other facilities and health professionals. Visit your local Social Security office for more information about Medicare eligibility and benefits. Information is also available on the Medicare Web site at [www.medicare.gov](http://www.medicare.gov) or by calling 1-800-MEDICARE.

## **What Is Advantage 65?**

Under the State Retiree Health Benefits Program, Advantage 65 and Advantage 65 with Dental/Vision are the only Medicare-coordinating plans available to new Medicare-eligible retiree group members or current retiree group members who are newly eligible for Medicare. (Along with retirees, the retiree group includes Long-Term Disability participants and eligible Survivors.)

The Medicare Plan Options Brochure provides a summary of Advantage 65 benefits and how they coordinate with Medicare. You may review this brochure by going to <http://www.dhrm.virginia.gov/hbenefits/retirees/medicareretiree.html> and clicking on “Plan Summary of Benefits” or you may request a copy from your Benefits Administrator.

## **How Does The State Retiree Health Benefits Program Work With Medicare?**

- The State Retiree Health Benefits Program coverage under Advantage 65 provides some benefits that supplement Medicare’s benefits and some benefits that Medicare does not cover (e.g., most outpatient prescription

drugs). The Medicare Plan Options brochure and Advantage 65 Member Handbook provide specific coverage information.

- If you choose to maintain coverage under the State Retiree Health Benefits Program when you (or your covered dependents) are eligible for Medicare, you must enroll in Medicare Parts A and B to receive supplemental benefits under Advantage 65. (Certain benefits, such as prescription drug coverage or dental and routine vision benefits, if elected, do not coordinate with Medicare, since Medicare generally does not pay any level of benefits for those services.)
- If you are eligible for Medicare, the State plan will only pay your claims after Medicare pays its benefit. Medicare is primary (it pays first) and the State plan is secondary (it pays the supplemental benefit). Generally, enrollment in Medicare Part A is automatic and at no cost to the participant. However, if you do not enroll in or you decline Medicare Part B, valuable benefits may be lost because Advantage 65 will not pay for services that should have been covered by Medicare, regardless of whether you have exercised your right to enroll in Medicare Part B.

### **How Does Advantage 65 Work With My Medicare-Approved Drug Discount Card?**

If you have a Medicare-Approved Drug Discount Card, your pharmacist can help you determine which benefit is best for you, your Advantage 65 prescription drug benefit or your Medicare card discount.

### **How Do I Enroll In Medicare And Advantage 65?**

Follow the steps outlined below to enroll in the Original Medicare Plan (Parts A and B) and Advantage 65.

**Three months before you or a participating dependent becomes eligible for Medicare, take the following steps:**

<b>Medicare Enrollment</b>
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- Visit your local Social Security office or call toll free 1-800-772-1213 for information about enrolling in the Original Medicare Plan (Parts A and B). Be sure that coverage is effective on the first day of your Medicare eligibility.
- Be sure to carefully coordinate your enrollment in Medicare with enrollment in the State Retiree Health Benefits Program's Medicare-coordinating plan so that coverage starts at the same time. Your Medicare Initial Enrollment Period (IEP) lasts for seven months; however, waiting until the last four

months of your IEP may result in a waiting period for coverage to begin in Medicare Part B.

- **Medicare and You**, a helpful guide to Medicare coverage, is available by calling 1-800-MEDICARE or by visiting the Medicare Web site at [www.medicare.gov](http://www.medicare.gov).

## Advantage 65 Enrollment

- Medicare-eligible new retirees are required to enroll within 31 days of their retirement date. However, early application for coverage (90 days before your retirement date) will ensure a smooth transition from active to retiree coverage.
- Enrollment in Advantage 65 is automatic if:
  - you are already enrolled in the State Retiree Health Benefits Program when you become eligible for Medicare at age 65; and,
  - you do not decline coverage.
- If you are enrolled in the State Retiree Health Benefits Program, you will receive notification of the effective date for your Advantage 65 coverage before your 65<sup>th</sup> birthday month. You will also receive information regarding your other options, including declining coverage. If you do not decline coverage or make another plan choice (Advantage 65 with Dental/Vision), you will receive your Advantage 65 ID card.
- If you or any covered dependents become eligible for Medicare before age 65 and wish to continue coverage under the State Retiree Health Benefits Program:
  - Apply for Medicare-coordinating/Advantage 65 coverage by submitting an Enrollment Form within 31 days of your Medicare eligibility date to the appropriate recipient listed on page 4.
  - It is your responsibility to notify VRS, or the Benefits Administrator who administers your eligibility, if you become eligible for Medicare prior to turning age 65. **Failure to do so will result in retraction of primary payments made in error** (when Medicare should have been the primary payer).
  - You can obtain a Retiree Enrollment Form from the Virginia Retirement System by calling 1-888-827-3847 (or 649-8059 in Richmond) or by going to the VRS Web site at [www.varetire.org](http://www.varetire.org). Forms are also available at the Department of Human Resource Management Web site at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov).

## **Do I Have Other Plan Choices As A Medicare-Eligible Retiree Group Participant?**

As a Medicare-eligible participant, you may choose from the following plans under the State Retiree Health Benefits Program:

- Advantage 65
- Advantage 65 with Dental/Vision

However, family groups of three or more members (for example, a retiree plus two or more dependents) are allowed to elect the COVA Care Plan for all family members, but Medicare will be primary for Medicare-eligible family members. Participants in this situation should carefully review premiums and benefits in order to select the plan(s) that will work best for their individual needs.

Be sure to review the ***Eligibility, Enrollment and Plan Choices, Fact Sheet # 2***, for more information on plans and enrollment guidelines.

## **Where Do I Send My Enrollment Form?**

<b>If You Are:</b>	<b>Send Completed Form To:</b>
A <u>New</u> Retiree, New Survivor of a State employee, or New LTD participant	Your Former Agency Benefits Administrator
A Current VRS Retiree, Survivor or LTD participant	Virginia Retirement System P. O. Box 2500 Richmond, VA 23219-2500
All Other Retirees	Your Pre-retirement Agency Benefits Administrator

Suggested Attachment:

Medicare Plan Options Brochure\*

(\*available at [www.dhrm.virginia.gov/hbenefits/retiree.html](http://www.dhrm.virginia.gov/hbenefits/retiree.html) or from your Benefits Administrator)